

**STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2009-23882  
Issue No.: 2014  
Case No.: [REDACTED]  
Hearing Date: January 12, 2011  
Wayne County DHS (43)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a hearing was held in Highland Park, Michigan on Wednesday, January 12, 2011. The Claimant appeared, along with [REDACTED], and testified. The Claimant was represented by [REDACTED] of [REDACTED]. [REDACTED] and [REDACTED] appeared on behalf of the Department.

**ISSUE**

Whether the Department properly terminated the Claimant's Medical Assistance ("MA") case based on excess income?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Claimant was a MA recipient.
2. On April 3, 2009, the Claimant submitted a review application for MA benefits.
3. On April 7, 2009, the Department sent a Notice of Case Action informing the Claimant that her MA coverage would cancel effective April 21, 2009 due to the failure to submit the redetermination form.
4. On April 14, 2009, the Department received the Claimant's timely written request for hearing.

5. The Claimant submitted the requested information which included income verification(s).
6. The Department denied the Claimant's MA application due to excess income.
7. On May 6<sup>th</sup> and May 13<sup>th</sup>, the Department received the Claimant's written hearing requests.

### **CONCLUSIONS OF LAW**

As a preliminary matter, the Claimant submitted three requests for hearing specifically addressing her reduction in food assistance ("FAP"), the MA denial, and an SER application. During the hearing, the Claimant stated that the FAP reduction and SER application were resolved and that the only issue to address was the denial of MA benefits.

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department of Human Services ("DHS"), formerly known as the Family Independence Agency, pursuant to MCL 400.10 *et seq* and MCL 400.105. Department policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Manual ("BRM"). The Adult Medical Program ("AMP"), the Low Income Family ("LIF"), and the Medicaid based on having a minor child(ren) in the home ("MA-N"), are part of the MA program. BEM 640; BEM 110; BEM 113

Clients must cooperate with the local office in determining initial and ongoing eligibility to include the completion of the necessary forms. BAM 105 Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130 Client's are allowed 10 calendar days (or other time limit specified in policy) to provide the requested verifications. BAM 130 If the client cannot provide the verification despite a reasonable effort, the time limit should be extended up to three times. *Id.*

All countable earned and unearned income available to the client must be considered in determining the Claimant's eligibility for program benefits. BEM 500 Income eligibility exists when the program group's income does not exceed the program group's income limit. BEM 640; BEM 110; BEM 113 In April 2009, the monthly AMP income limit was \$316.00 for an individual living independently. RFT 236 The income limit for the LIF program was \$307.00. RFT 243 The protected income limit for the MA-N was \$341.00. RFT 240

In this case, the Claimant previously had MA coverage because her minor child lived in the home. After the daughter turned 20 years old, the Claimant was no longer eligible under that MA program. As a result, the Claimant submitted an application for other MA coverage. In the application, the Claimant indicated that she was working and that she was not disabled. Based on this information, the Department determined eligibility under the AMP (and LIF) MA programs. The Department did not request any medical verification(s) because the Claimant indicated she was not disabled. At that time, the Claimant had earnings from employment in the amount which exceeded the amount set forth by the Social Security Administration for determining substantial gainful activity ("SGA"). In 2009, the SGA was \$980.00. The Department correctly determined that due to excess income, the Claimant was not eligible for any MA benefit program. The Department sent the Claimant a denial notice. Ultimately, the Department established it acted in accordance with department policy when it denied the Claimant's MA application due to excess assets.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law finds the Department established it acted in accordance with department policy when it denied the Claimant's MA application.

Accordingly, it is ORDERED:

The Department's denial of the MA application is AFFIRMED.

*Colleen M. Mamelka*

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**Colleen M. Mamelka**  
Administrative Law Judge  
For Duane Berger, Director  
Department of Human Services

Date Signed: 1/13/2011

Date Mailed: 1/13/2011

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

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The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CMM/jlg

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